

Message Text

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PAGE 01 QUITO 05215 222137Z

16

ACTION ARA-10

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C O N F I D E N T I A L QUITO 5215

E.O. 11652: GDS

TAGS: ENRG, EC

SUBJECT: EDITORIAL ATTACK ON OIL EMBARGO, GOE

1. AN INFLUENTIAL EDITORIAL COLUMNIST ATTACKED TEXACO-GULF AND THE GOE POLICY OF DENIAL AND SILENCE REGARDING THE "EMBARGO" OF THE RUTH SHIPMENT IN AN ARTICLE JULY 21 HEADLINED "THE PETROLEUM EMBARGO."

2. ALFREDO PINOARGOTE, WRITING IN ECUADOR'S LARGEST CIRCULATION DAILY EL UNIVERSO, SAID THE CONSORTIUM'S ACTION WAS "A CLEAR DEMONSTRATION OF INSOLENCIE, DISRESPECT AND AN ABUSE OF POWER." HE SPECULATED THAT IT RESULTED FROM A DECREE GIVING THE STATE OIL CORPORATION 25 PERCENT OF A FIXED EXPORT LEVEL OF 210,000 BPD, WHETHER ACTUAL PRODUCTION REACHED THAT LEVEL OR NOT. HE CITED THE LATTER POINT AS AN EFFORT TO "REQUIRE TWO FOREIGN CORPORATIONS TO RESPECT OUR THREATENED NATIONAL SOVEREIGNTY, AND ASSURE A STABLE LEVEL OF INCOME TO THE PUBLIC TREASURY."

3. AT THE SAME TIME, THE COLUMNIST SAID THE GOE HAD DENIED THE EMBARGO AS IF IT HAD NEVER EXISTED, ADDING: "BUT IT SEEMS THE TRUTH OF THE MATTER IS NOT EXACTLY
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PAGE 02 QUITO 05215 222137Z

IDENTICAL TO THE OFFICIAL VERSION." HE SAID THE TRUTH

WOULD BE KNOWN SHORTLY, DESPITE THE GOE POLICY OF
SILENCE RECENTLY IN PETROLEUM MATTERS.

4. THE COLUMN CONCLUDED: "BECAUSE OF THIS, WE SIMPLY
ASK: WHAT IS HAPPENING WITH OUR PETROLEUM WEALTH?
WHAT IS HAPPENING WITH THE CONTINUOUS DAMAGE TO THE
PIPELINE, WITH THE REPEATED TRIPS OF THE MINISTER (OF
NATURAL RESOURCES), WITH THE VOIDED ROMPETROL AGREEMENT,
WITH THE DENIED EMBARGO IN LOS ANGELES, WITH THE RELEASE
FROM THE ARMED FORCES OF JARRIN AMPUDIA, WITH THE NEW
U.S. AMBASSADOR WHO WAS A PERSONAL ADVISOR TO KISSINGER
AND A DIPLOMAT OF SUPERIOR QUALITY, WITH THE REPORT
CARRYING A RECOMMENDATION TO RAISE THE PRICE OF OIL WHICH
HAS NOT BEEN ANSWERED BY THE SUPREME COUNCIL, WITH THE
SILENCE OF THE RUMANIAN EMBASSY, WITH THE DESTRUCTION OF
THE WELL OF LAGO AGRIO WITH THE COST INCREASE FAVORING
THE CONSORTIUM, ETC., ETC.?"

5. COMMENT: THIS IS THE FIRST BREAK IN A SURPRISING
EDITORIAL SILENCE REGARDING THE LOS ANGELES SHIPMENT,
AND IT COMES FROM AN INFLUENTIAL WRITER WHO MAY HAVE ACCESS
TO GOE OFFICIALS. IF THE SITUATION IS NOT RESOLVED
IN THE IMMEDIATE FUTURE, WE CAN EXPECT MORE
CRITICISM, WITH MORE SPECIFIC DETAILS, FROM ALL
SIDES, PARTICULARLY THE MEDIA.
BLOOMFIELD

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